## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-7000



April 2, 2020

The Honorable Justin Elicker Mayor of New Haven 165 Church Street New Haven, CT 06510-2010

Dear Mayor Elicker:

I am pleased to inform you of a special allocation to your jurisdiction of Community Development Block Grant funds to be used to prevent, prepare for, and respond to the coronavirus (COVID-19). This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of this historic public health crisis.

The CARES Act made available \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) funds. Of this amount, the Department is immediately allocating \$2 billion based on the fiscal year 2020 CDBG formula. The remaining \$3 billion shall be allocated based on needs using best available data, in the following tranches: \$1 billion shall be allocated to States and insular areas within 45 days of enactment of the Cares Act, and \$2 billion shall be distributed to states and local governments at the discretion of the Secretary. Up to \$10 million will be set aside for technical assistance. Given the immediate needs faced by our communities, the Department has announced the first allocation of funds. Your jurisdiction's allocation is \$2,236,393.

The CARES Act adds additional flexibility for both the CDBG-CV grant and, in some cases, for the annual FY2020 CDBG grants in these unprecedented times. The public comment period is reduced to not less than 5 days, grantees may use virtual public hearings when necessary for public health reasons, the public services cap is suspended during the emergency, and States and local governments may reimburse costs of eligible activities incurred for pandemic response regardless of the date.

In addition, the CARES Act authorizes the Secretary to grant waivers and alternative requirements of statutes and regulations the Secretary administers in connection with the use of CDBG-CV funds and fiscal year 2019 and 2020 CDBG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements can be granted when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

The Department is developing a notice that will further describes the CARES Act's provisions, a Quick Guide to the CARES Act flexibilities and other provisions, and other resources

to enable swift implementation of CDBG-CV grants. As these become available, they will be posted on HUD's website and distributed to grantees. The Department will also support grantees with technical assistance.

As you develop your plan for the use of these grant funds, we encourage you to consider approaches that prioritize the unique needs of low- and moderate—income persons and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. You should coordinate with state and local health authorities before undertaking any activity to support state or local pandemic response. CDBG-CV grants will be subject to oversight, reporting, and requirements that each grantee have adequate procedures to prevent the duplication of benefits. HUD will provide guidance and technical assistance on DOB and regarding prevention of fraud, waste, and abuse and documenting the impact of this program for beneficiaries.

The Office of Community Planning and Development (CPD) is looking forward to working with you to successfully meet the urgent and complex challenges faced by our communities. If you or any member of your staff has questions, please contact your local CPD Field Office Director or <a href="mailto:CPDQuestionsAnswered@hud.gov">CPDQuestionsAnswered@hud.gov</a>.

Sincerely,

John Gibbs

**Acting Assistant Secretary** 

for Community Planning and Development

U.S. Department of Housing and Urban Development

## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-7000



April 2, 2020

The Honorable Justin Elicker Mayor of New Haven 165 Church Street New Haven, CT 06510-2010

Dear Mayor Elicker:

I am pleased to inform you of special Emergency Solutions Grants (ESG) Program funds HUD is allocating to your jurisdiction in the amount of \$1,137,914, as authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136. These special ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

President Trump signed the CARES Act on March 27, 2020 to help the Nation respond to the coronavirus outbreak. The CARES Act made available an additional \$4 billion in ESG-CV funds to supplement the Fiscal Year (FY) 2020 ESG funding provided under the Further Consolidated Appropriations Act, 2020 (Public Law 116-94). Of this amount, the Department is immediately allocating \$1 billion for ESG-CV grants based on the FY 2020 ESG formula. The rest of the funding for ESG-CV grants will be allocated directly to States or units of local government by a separate formula developed by the Secretary. Up to \$40 million of the additional funds will be set aside for technical assistance.

Given the immediate needs faced by our communities, the Department has announced the first allocation of funds, which are subject to the following flexibilities and conditions provided by the CARES Act:

- The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19;
- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- Up to 10 percent of funds may be used for administrative costs, as opposed to 7.5 percent as provided by 24 CFR 576.108(a);
- The funds are exempt from the ESG match requirements, including 24 CFR 576.201;
- The funds are not subject to the consultation and citizen participation requirements that otherwise apply to the Emergency Solutions Grants, however each recipient must

- publish how its allocation has and will be used, at a minimum, on the Internet at the appropriate Government web site or through other electronic media;
- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3;
- That recipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to coronavirus, notwithstanding 24 CFR 576.407(f) and 2 CFR 200.317-200.326;
- While we encourage you to offer treatment and supportive services when necessary to assist vulnerable homeless populations, individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, notwithstanding 24 CFR 576.401(e).

In addition, the Act authorizes the Secretary to grant waivers of and specify alternative requirements for statutes and regulations the Secretary administers in connection with the use of ESG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). These waivers and alternative requirements can be issued when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

The Department is developing a notice that will further lay out the CARES Act provisions and other waivers and requirements to enable swift implementation of additional ESG-CV grants. This notice and any subsequent notices of waivers and alternative requirements will be made available on HUD's website and distributed to grantees. The Department will also support grantees with technical assistance.

As your jurisdiction develops its plan to use these grant funds, HUD encourages approaches that prioritize the unique needs of persons experiencing homelessness and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. Your jurisdiction should coordinate with State and local health authorities before undertaking any activity to support state or local pandemic response. HUD encourages you to share successes that may help other grantees. Like other supplemental funding, ESG-CV grants are subject to oversight and tracking, such as requirements to prevent the duplication of benefits. We look forward to working with you to prevent fraud, waste, and abuse and to document the impact of this program for beneficiaries.

Importantly, proper reporting in the Integrated Disbursement and Information System (IDIS) is critical to ensuring grantees are complying with program requirements and policies, providing demographic and income information about the persons who benefit from funded activities, and allowing HUD to monitor recipients. Your jurisdiction's ongoing attention is essential to ensuring complete and accurate reporting of performance measurement data.

HUD's Office of Community Planning and Development (CPD) is looking forward to working with your jurisdiction to successfully meet the urgent and complex challenges faced by our communities. If you or your staff has questions, please contact your local CPD Field Office Director or <a href="mailto:CPDQuestionsAnswered@hud.gov">CPDQuestionsAnswered@hud.gov</a>.

Sincerely,

John Gibbs

**Acting Assistant Secretary** 

for Community Planning and Development

U.S. Department of Housing and Urban Development

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WASHINGTON, DC 20410-7000



April 2, 2020

The Honorable Justin Elicker Mayor of New Haven 165 Church Street New Haven, CT 06510-2010

Dear Mayor Elicker:

I am pleased to inform you of your jurisdiction's Housing Opportunities for Persons With AIDS (HOPWA) supplemental allocation in the amount of \$160,839 provided under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") (Pub. L. No. 116-136), which was signed into law on March 27, 2020. The supplemental funds provided under the CARES Act are to be used by HOPWA grantees as additional funding to maintain operations and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to coronavirus.

This supplemental award may be used to reimburse allowable costs incurred prior to the receipt of your supplemental award provided such costs were to prevent, prepare for, or respond to coronavirus. Activities for which grantees may use the supplemental grant funds include, for example:

- assisting HOPWA eligible households in accessing essential services and supplies such as food, water, medications, medical care, and information;
- educating assisted households on ways to reduce the risk of getting sick or spreading infectious diseases such as COVID-19 to others;
- providing transportation services for eligible households, including costs for privatelyowned vehicle transportation when needed, to access medical care, supplies, and food or to commute to places of employment;
- providing nutrition services for eligible households in the form of food banks, groceries, and meal deliveries;
- providing lodging at hotels, motels, or other locations to quarantine HOPWA-eligible persons or their household members; and
- providing short-term rent, mortgage, and utility (STRMU) assistance payments to prevent homelessness of a tenant or mortgagor of a dwelling for a period of up to 24 months.

In addition, the Office of Community Planning and Development has provided certain regulatory waivers to offer additional flexibility to program participants to prevent the spread of COVID-19 and to facilitate assistance to eligible communities and households economically impacted by the virus. Grantees should consult the "Availability of Waivers of Community Planning and Development (CPD) Grant Program and Consolidated Plan Requirements to Prevent the Spread

of COVID-19 and Mitigate Economic Impacts Caused by COVID-19" memorandum for more information on the availability of waivers related to COVID-19.

Formula Grantees should follow existing requirements for development of substantial amendments to their action plans that describe the amount of funding in the supplemental allocation and the planned use of funds. Please note, however, that the 30-day minimum for the required public comment period is waived for substantial amendments, provided that no less than five (5) days are provided for public comment on each substantial amendment. This waiver is available through the end of each grantee's 2020 program year.

A new grant agreement for this allocation will be issued through your local HUD field office. Within fourteen (14) days of executing their grant agreements with HUD, grantees will also be expected to execute new project sponsor agreements addressing how the supplemental funding will be used. Further guidance pertaining to the administration of the supplemental allocation, including eligible uses of the grant funding and reporting requirements, is forthcoming.

The Office of Community Planning and Development is looking forward to working with you as you implement critical actions to prevent, prepare for, and respond to COVID-19 in your community. If you or any member of your staff have questions, please contact your local CPD Office Director.

Sincerely,

John Gibbs

**Acting Assistant Secretary** 

for Community Planning and Development

U.S. Department of Housing and Urban Development